



BUDGET PRESENTATION

of the Connecticut State University System
by Chancellor David G. Carter

to the Committee on Appropriations


February 13, 2009

 **Connecticut State University System**
Central | Eastern | Southern | Western



FOUR UNIVERSITIES, ONE SYSTEM VISION & PURPOSE

- **To advance the educational needs of the citizens of Connecticut**
by providing access to higher education to a broad spectrum of Connecticut's citizens
- **To stimulate the intellectual, economic and social vitality of Connecticut**
by providing an affordable, high-quality, postsecondary education
- **To prepare lifelong learners**
whose civic responsibility, research, scholarship and professional practice accrue to the benefit of the state and the world by providing stimulating and supportive learning communities

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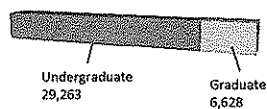
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CONNECTICUT'S LARGEST UNIVERSITY SYSTEM

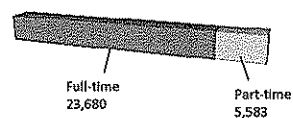


- Total Students 35,891
- Total Undergraduates 29,263
- 93% from Connecticut
- 86% stay in state after graduation

Total Students: 35,891



Undergraduates: 29,263



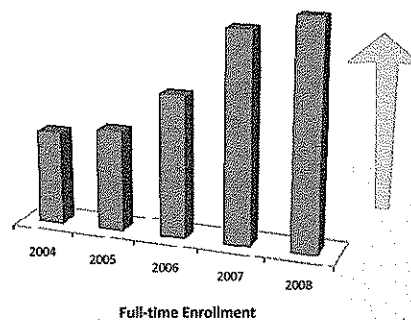
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ENROLLMENT GROWTH



- **Total enrollment of 35,891**
the highest level in the past 6 years
- **Full time student enrollment has grown nearly 44% since 1996**
and 14% since 2003



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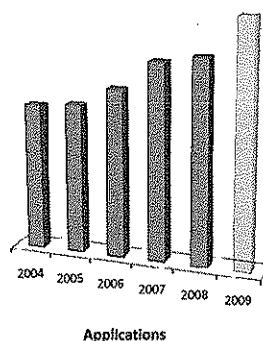
ADMISSIONS

In Fall 2008, there were 25,788 applications for admission

- 63% were offered admission
- 47% of those enrolled at a CSUS institution

For Fall 2009 admission, applications are at historic high levels

- projected to be approximately 28,556; up 11% from last year



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TRANSFER STUDENTS

Pursuing Bachelor's Degree

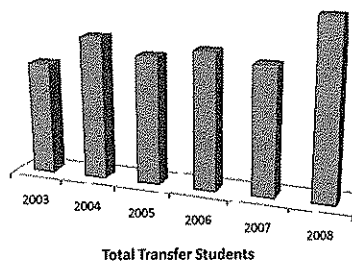
- Transfer students to CSUS from Connecticut Community Colleges are up 46% since 2001
- At six of twelve Connecticut Community Colleges transfer students to CSUS reached an all-time high in 2008

Coming Home to Connecticut

- Transfer students from institutions outside CT are up 31.5% since 2003
- Three out of four students transferring from outside Connecticut are residents returning to the state

All Time High

- Overall, the number of transfer students entering CSUS universities reached an all-time high in 2008



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WORKING PROACTIVELY



- CSUS is a partner in addressing Connecticut's economic crisis
- Analyzed national trends more than a year ago and anticipated necessity to reduce costs - had universities hold back expenditures
- Worked proactively to prepare budget reductions
- Initiated reductions prior to directives from Governor



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EFFECTIVE OVERSIGHT



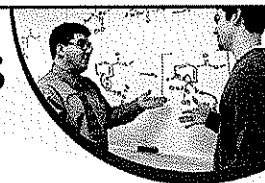
- On behalf of the CSUS Board of Trustees, the System Office proactively provides fiscal direction and oversight of universities
- Accountability is paramount
- Directed freeze on hiring in May 2008, with exceptions for public health and safety and instructional faculty positions
- System Office review and approval required for any requested exception to the hiring freeze
- Implemented travel restrictions in May 2008 (consistent with contractual obligations)
- Directed 20% reduction in each university's motor vehicle-related expenses
- Each university and the System Office is in the process of reviewing every contract currently in force, to determine which may be renegotiated or cancelled



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EXPENSE SAVING MEASURES SYSTEM-WIDE



Energy

Participated in Statewide electricity reverse auction in FY2008, resulting in a 20-month contract with estimated annual cost avoidance of almost \$2.3 million. Participated again in October 2008, entering into a 3-year contract commencing 7/1/09.

Headcount Freeze

(Implemented May 2008) Four universities and System Office are currently holding 129 vacancies, generating projected expense savings in FY09 of \$8.3 million. Freeze will extend into FY10, generating projected expense savings of \$11.5 million.

Out-of-State Travel Restriction

Will generate projected expense savings in FY09 of \$719,000, and projected savings of \$987,000 in FY10.

Supplies

CSUS projects a reduction in expenditures for supplies of \$487,000 in FY09 and \$903,000 in FY10.

Non-bond fund Equipment

Four universities and System Office project a total reduction in equipment paid for by operating funds of \$758,000 in FY09 and \$1 million in FY10.

Sustainability

Very active in promoting and cultivating a culture of conservation and sustainability. Combined efforts have resulted in projected energy costs savings of \$692,000 in FY09 and \$1.1 million in FY10.



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EXPENSE SAVING MEASURES SYSTEM-WIDE



Contracting and Purchasing

- Use of volume discounts and efficiencies and economies of scale by utilizing System-wide contracts (including Accounting Services, Student Sickness and Accident Insurance, Emergency Notification System, Collection Agency and Background Check Services, and selected software license and hardware/software maintenance contracts)
- Negotiated Master Contracts for the Universities and the System Office to use on an "as needed" basis for PCs, laptops and servers, Network Application Appliances and Executive Search Services
- Use of state-wide contracts for certain goods and services made available through the DAS and DOIT, participates in the State's Purchasing Card program, and participates in consortiums such as the Connecticut Colleges Purchasing Group



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ADDITIONAL SAVINGS

In addition, each university has taken significant steps locally to reduce operating expenses. Some examples:

● CCSU

In FY10, CCSU will reduce contracted janitorial and lawn mowing/landscaping services, for a projected expenditure reduction of \$339,000

● ECSU

Projects savings of \$71,000 per year (for FY09 and FY10) by revising their trash pick-up schedule

● SCSU

Projects reducing professional services expenses by \$125,000 in FY09 and \$475,000 in FY10

● WCSU

Projects trimming \$350,000 each year (FY09 and FY10) from its repairs and maintenance budget

● System Office

- System Office budget reduced by 9.2% in past two years, personnel levels reduced
- Redeployment of individuals to universities



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SUSTAINABILITY

● CSUS currently has six LEED certified buildings

and one additional building in process for LEED silver certification

● Pilot program at Central using fluorescent lighting

will examine extending system-wide if successful

● Conducting clean energy audit of buildings

● Reducing costs a variety of ways, and going green in numerous ways

including environmentally preferable purchasing, recycling plans, geothermal heating, photovoltaic lighting

● Partnership with Dept. of Emergency Management & Homeland Security and the Connecticut Clean Energy Fund

to use fuel cells at universities to provide an efficient energy source and an emergency site for public safety and statewide disaster communications by Governor



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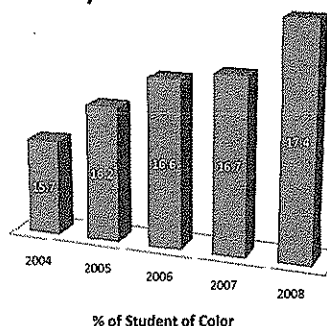
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ACCESS & SUCCESS

Affordable, Accessible, High Quality Education



- 49% of CSUS students are the first in their family to attend college
- Students of color comprise 17.4% of CSUS students, an increase from 14.7% in 2000
- Since 2003, retention rates for Hispanic and African-American students across the university system have each grown by 8%
- Graduation rate for Hispanic students has increased 14% during past 5 years



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DEGREES AWARDED



A record-setting 6,870 degrees were awarded in 2008
an increase of 26 percent since 2002

Science/Engineering/Technology graduates increased in 2008
the first time in three years

In Connecticut, CSUS awards the most bachelor degrees in:

- Mathematics and Statistics
- Computer & Information Science
- Business, Marketing, and Management

CSUS has awarded the most Nursing bachelor degrees
over the past five years



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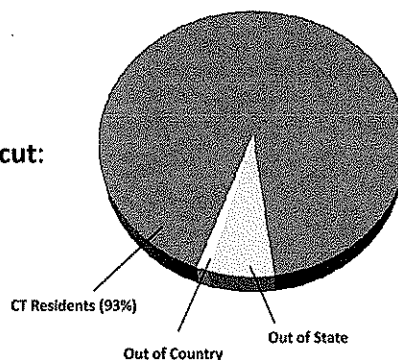
ECONOMIC IMPACT

Economic impact of the Connecticut State University System

is an estimated \$1.84 billion in the current fiscal year, including CSUS operations and spending by employees and students.

CSUS is squarely focused on Connecticut:

93% of our students are from Connecticut.
Nearly 9 of every 10 graduates stay in the state to pursue careers, raise their families and contribute to our quality of life.



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CSUS AFFORDABILITY

FY2009 Tuition and Required Fees

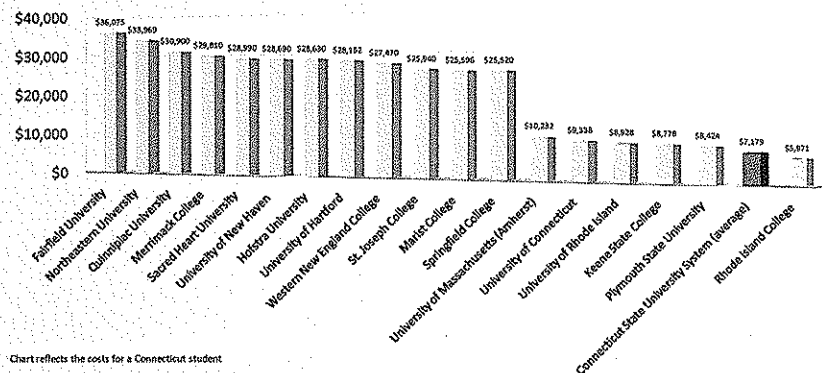


Chart reflects the costs for a Connecticut student

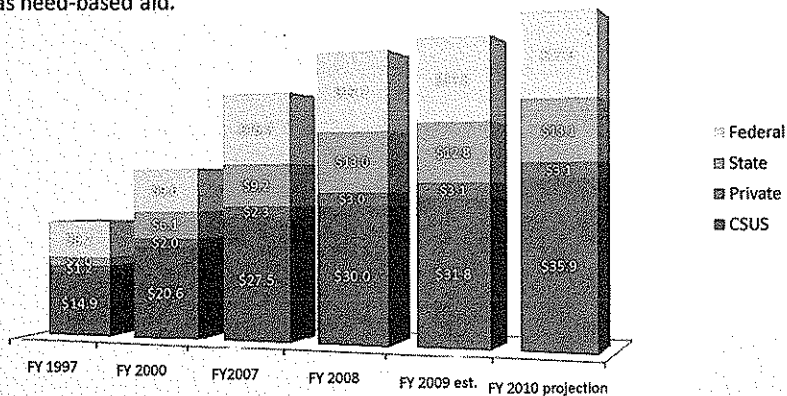


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FINANCIAL AID BY SOURCE

89% of all non-loan institutional aid awarded in FY2008 was need-based aid.



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EXTENDING FINANCIAL AID

**CSUS has exceeded the state-mandated level of financial aid set-aside;
required level is 15% of tuition**

- 16.61% in FY2008
- 17.16% in FY2009 (est.)
- 20% in FY2010 (goal)

**Some families do not qualify for federal aid under current structure, but do not
have sufficient financial resources for college**

- Working to design a way to provide some assistance for those students and families
- Exploring student jobs as a means of providing such aid
- Working with financial aid staff across the system to develop equitable plan



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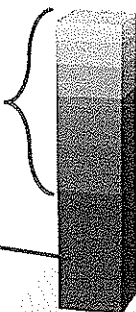
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FY2009 BUDGET

FY09 Revenues*

Operating Fund
(Includes Tuition & Fees)
\$349,269,421 (59%)

General Fund
Including Fringe
(State Appropriation)
\$245,658,686 (41%)



*Does not include capital funds

FY09 Expenditures

Personal Services
Including Fringe
\$404,303,554 (68%)

Financial Aid & Scholarships
\$22,806,889 (4%)

Debt Service
\$37,062,745 (6%)

Energy
\$27,453,138 (5%)

Food Service, Maintenance, Supplies, Repairs, Insurance, Travel & Training, Data Processing, Services, Library Books & Equipment, Telecommunications and Other Expenses**
\$103,732,750 (17%)



**Includes auditing, legal, consulting and janitorial services



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GOVERNOR'S PROPOSED BUDGET

	FY09-10 Adjusted Current Services	FY09-10 Governor's Budget	\$ Variance From Current Services
Operating Expenses	170,058,905	155,558,049	(14,500,856)
Tuition Freeze	6,561,971	6,561,971	0
Waterbury-Based Degree Programs	1,038,281	988,396	(49,885)
Total Current Services Budget	177,659,157	163,108,416	(14,550,741)*
Associated General Fund Fringe (Est.)	89,189,792	81,750,330	(7,439,462)
Total CS Budget Including Fringe	266,848,949	244,858,746	(21,990,203)**

Difference between
FY10 Current Services
and Proposed Budget
(including Associated
Fringe) is \$21,990,203

	FY10-11 Adjusted Current Services	FY10-11 Governor's Budget	\$ Variance From Current Services
Operating Expenses	176,997,923	155,558,049	(21,439,874)
Tuition Freeze	6,561,971	6,561,971	0
Waterbury-Based Degree Programs	1,079,339	988,396	(90,943)
Total Current Services (CS) Budget	184,639,233	163,108,416	(21,530,817)*
Associated General Fund Fringe (Est.)	97,300,089	85,570,439	(11,729,650)
Total CS Budget Including Fringe	281,939,322	248,678,855	(33,260,467)**

Difference between
FY11 Current Services
and Proposed Budget
(including Associated
Fringe) is \$33,260,467

*Governor's Proposed Budget

**Estimated Associated Fringe Benefits



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KEY INITIATIVES



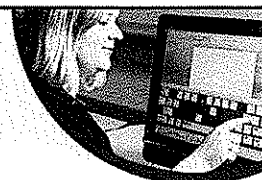
- **Participation in High School/College curriculum alignment**
Initiatives including American Diploma Project, Project Compass, Access to Success, Bridges
- **Strengthening of CSUS-Connecticut Community Colleges relationship**
Collaborative efforts to ease student transfers
- **Continued development of "First-Year Experience"**
Programs for freshmen designed to improve retention and graduation
- **Maintain sufficient faculty and professional student support personnel**
Including addressing workforce shortage areas [Nursing, STEM, Gen Ed courses supporting these areas]



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RESPONDING TO LEGISLATURE



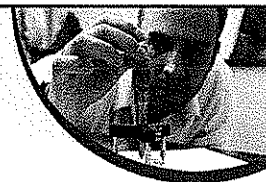
- **"Building a Bridge to Improve Student Success" program**
Retention up 16.1% among program participants at Western; work underway to expand to Central, Southern & Eastern with local communities, due to legislative funding
- **State plan to coordinate resources**
and train K-12 personnel, parents, and new teachers about autism
- **BEST task force to revamp program to support new teachers**
- **Nursing educator program collaboration**
WCSU and SCSU working together to alleviate nursing faculty shortages
- **Institute for Sustainable Energy**
offering support for development of energy policy and green jobs
- **Articulation Agreement with Connecticut Community Colleges**
for seamless dual admission program-agreement reached this month, one year ahead of schedule



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MAKING A DIFFERENCE, EVERYWHERE IN CONNECTICUT



- Achieving system-wide savings
- Compelling value for CT students
- Attracting historic numbers of students
- \$1.84 billion economic benefit to CT
- Working across PK-20 continuum (kindergarten through college)
- Collaborations across state with businesses, nonprofits, & communities
- An investment in CSUS is an investment in Connecticut's future



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